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UNCLAS SECTION 01 OF 02 HANOI 000315

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STATE PASS TO USTR E. BRYAN

E.O. 12958: N/A

TAGS: PREL PHUM KIRF ETRD OVIP KPOW CH VM APEC CVR HUMANR RELFREE ASEAN WTO SUBJECT: NSC Senior Director Michael Green Discusses China, Country of Particular Concern Designation, APEC, Prime Minister's Visit with Deputy Prime Minister Vu Khoan

- 11. (SBU) Summary: NSC Senior Director for Asia Dr. Michael 1J. Green and the Ambassador discussed bilateral relations and regional strategic dynamics with Deputy Prime Minister (DPM) Vu Khoan on February 4. The DPM stressed regional dialogue, particularly through the ASEAN framework, while recognizing China's rising role in the region. He urged the removal of Vietnam's designation as a Country of Particular Concern (CPC) for religious freedom to pave the way for the Prime Minister's visit this summer and requested further strong gestures from the United States regarding Vietnam's accession to the WTO. End Summary.
- 12. (SBU) NSC Senior Director for Asia Dr. Michael J. Green and the Ambassador met with Deputy Prime Minister Vu Khoan on February 4 to discuss the state of bilateral relations, regional interactions and the Prime Minister's possible visit to the United States in June 2005. Vu Khoan welcomed Dr. Green, noting that this visit is especially important because of various upcoming events, including the tenth anniversary of the normalization of bilateral relations, Prime Minister (PM) Phan Van Khai's planned visit to the United States and the start of preparations for Hanoi to host the APEC summit in 2006.
- 13. (SBU) Dr. Green agreed that we are at an important and optimistic point in our relationship, which could be enhanced by high-level exchanges of visits, including that of Assistant Secretary of Defense Peter Rodman to Vietnam and members of Vietnam's National Assembly to the United States. Bilateral visits like these demonstrate how far U.S.-Vietnam relations have come in terms of common interests, he said.
- ¶4. (SBU) Turning to regional issues, Dr. Green said China's "rising role" in Asia is important because it affects China's relations with the United States as well as Vietnam, and in turn the U.S.-Vietnam relationship. This "rise" creates conditions to reinforce other countries' bilateral relations, he stressed; "diplomacy in Asia is not a zero-sum game." While the issue of religious freedom is the most sensitive one for both our countries, Dr. Green said, the recent release of Father Ly from prison has set the stage for the two sides to explore building a possible work plan to address the United States' concerns regarding religious freedom in Vietnam. Emphasizing that we could learn more from each other through dialogue, Dr. Green solicited the DPM's views about the region and the U.S. role in it.
- 15. (SBU) DPM Khoan replied that recent speeches by President Bush and Dr. Rice indicate a new multilateral diplomacy approach by the United States. Within this framework, there could be four particular levels of regional cooperation: the sub-regional level with three to four countries working together, the regional level through ASEAN, new forms of regional cooperation through an East Asian Summit, and the inter-regional level through APEC, with all levels being intertwined. Although each organization has different interests and agendas, their shared goals are development, stability and prosperity. In particular, DPM Khoan stressed, ASEAN needs to play a key role through initiatives within its framework, including "ensuring ASEAN plays a leading role in any East Asian cooperative organization that is still in its preliminary stages."
- 16. (SBU) DPM Khoan also opined that China has replaced Japan as a regional economic leader, and the Chinese are interested in continuing to expand China's active role in the world as well as paying special attention to their neighbors. The rise of China is good for many countries, including the United States, he said, because it contributes to the spread of prosperity within the region. He noted that trade exchange between Vietnam and China is increasing rapidly and relations remain excellent despite "some difficulties in the East (South China) Sea."
- $\underline{\P}$ 7. (SBU) The DPM stressed that Vietnam's foreign policy is

keyed to multilateralism and diversification of its relationships, remaining active at all four levels of regional cooperation and seeking friendships with all countries while avoiding military alliances. Vietnam recognizes the United States has relationships with many countries in the region and it needs to play an active role in promoting peace and stability. In fact, DPM Khoan continued, Vietnam wants the United States to play a constructive role in regional cooperation based on mutual understanding and respect, resulting in lasting cooperation. Although the bilateral relationship is "shadowed by burdens of the past," it must move forward. One way Vietnam is doing this is through cooperation with American MIA/POW recovery operations, an effort that is difficult to explain to the Vietnamese public but basically tolerated. "Not only do we need to settle all past issues," the DPM recommended, "but we need to try to avoid creating new stumbling blocks in the road ahead, like lawsuits on catfish and shrimp, and interference in domestic issues."

- 18. (SBU) Regarding the PM's visit, the GVN wants to receive an official invitation from the USG soon in order to make preparations for the late June to early July timeframe. For visit deliverables, GVN hopes to have an agreement on the framework of the relationship and various MOU's on other areas of cooperation as well. A statement regarding Vietnam's WTO accession would be the next appropriate step to build upon the 2001 Bilateral Trade Agreement (BTA). Discussion on the bilateral relationship as well as regional issues in the overall framework would be welcome as well. "Paving a clean way" for the PM's visit, however, would mean removing the "offensive" CPC designation of Vietnam, the DPM said. There are six official religions in Vietnam and the new ordinance on religion (with specific directives on each religion) is evidence of Vietnam's efforts to create favorable and equitable conditions, something Vietnam would do without external pressure. At the same time, the GVN must prevent people from abusing their freedoms and breaking laws, he explained.
- 19. (SBU) Dr. Green said Vietnam has "a clear sense of regional strategy," adding that "we should have more strategic dialogue at all levels." Although the United States is not opposed to an East Asia Summit, Dr. Green recommended that participants consider carefully what the new dynamic would be in such an organization, stressing that APEC should remain the preeminent forum because it includes the United States. This is something the United States and Vietnam could continue to discuss in quiet dialogue, Dr. Green suggested. China's rising role in the region is not necessarily a bad factor, but it is imperative that China joins Asia, not vice versa, in order to maintain an open architecture, with APEC and ASEAN steadfast in their respective, dynamic roles.
- 110. (SBU) On WTO, Dr. Green noted that it may not be possible to complete an agreement by June but indicated that the United States could send a strong signal in support of Vietnam's efforts. Addressing the religious freedom issue, he said opening more churches and allowing freedom to worship would be the next proper steps for Vietnam. Although the CPC designation cannot be lifted immediately, it is both possible and desirable to establish a work plan to make progress toward that goal. Dr. Green noted that as a leader of great faith, President Bush welcomes faith-based organizations' contributions for the public good and he stressed the positive role that these organizations play in Vietnamese society, contributing to a stronger nation. Although the deadline for action in response to CPC designation is approaching, the United States is willing to offer an extension of that deadline to provide enough time to establish a work plan that demonstrates to skeptics that religious freedom in Vietnam is being implemented in good faith, he added.
- 111. (U) Dr. Green cleared this cable.

MARINE